

# THE INFLUENCE OF RELATIONSHIP MARKETING TOWARDS CUSTOMER RETENTION EFFORTS ON CULINARY SEAFOOD CRAB'S NEST RESTAURANT IN THE CITY OF JAMBI

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## Abstract

*The purpose of this study was to study the relationship of marketing to customer retention in seafood food companies in crabs in the city of Jambi, as well as identify things that need to be considered in improving customer retention. The data in this study used a survey method using a questionnaire given to 105 respondents. The data were analyzed using multiple linear regression techniques. The results of statistical tests simultaneously, dimensions, commitment, communication, and handling were significantly positive and significant for customer retention, with an influence value (R<sup>2</sup>) of 54.5%. The results showed that partially, dimensions, commitment, and communication had a positive and significant effect on customer retention, while the handling dimension was not significant to customer retention. Thus, efforts are needed to improve the quality of handling speed in order to increase customer retention in the crab seafood restaurant culinary business in Jambi City.*

**Keywords:** Relationship Marketing, Customer Retention

## Introduction

Tracing the history, seafood already consumed man since antiquity. Ancient Egypt people capitalize on seafood as a protein source that is obtained by way of fishing in the Mediterranean Sea and the Nile, as well as keep the fish in the pond. Ancient Greece people also ate fish and shellfish in the form of fresh or dried. According to expert culinary Chef Haryo Pramoe, processed seafood actually comes from the inhabitants of the coast. Added Chef Haryo, Seafood is one food source of animal protein derived from the sea. Some of the material is frequently consumed seafood, fish, shrimp, squid, and crab. As the development of the concept of marketing in price, many companies began to implement a strategy in attracting customers, retain customers, and manage customers. Such marketing concepts one is relationship marketing. At first, the concept of relationship marketing pioneered by companies in the United States. The same phenomenon also occurred in Indonesia, one by one company in Indonesia began to implement relationship marketing. For a company that is oriented towards the customers certainly won't let its customers switch to the company's competitors. The company will seek to provide the best in prioritizing customer, not only improve the quality of a product or service so that customers remain loyal. Before customers become loyal customers then it will survive, and maintain customers in a long period known as customer retention that is the company's ability to retain customers who owned up to the end loyal.

In the town of Jambi, the area's famous Seafood cuisine as there is in the city of Jambi, one place is the Crab's nest Restaurant Sultan Agung road No. 1541 Market Banyan Jambi. The development of culinary seafood can be said enough was heartening too. This is because business owners apply the principles of relationship marketing is done by using several variables – variables, but do not meet the criteria that are dominant in its application

Research objectives the purpose of this study is as follows:

1. Identify the influence of Relationship Marketing Towards Customer Retention efforts on Culinary Seafood Crab's nest Restaurant in the town of Jambi.
2. Identify the things that should be noticed in increasing Customer Retention.

## Literature Review

According to Chan, relationship marketing can be defined as the introduction of any customer in closer and creating two-way communication by managing mutually beneficial relationships between customers and the company.

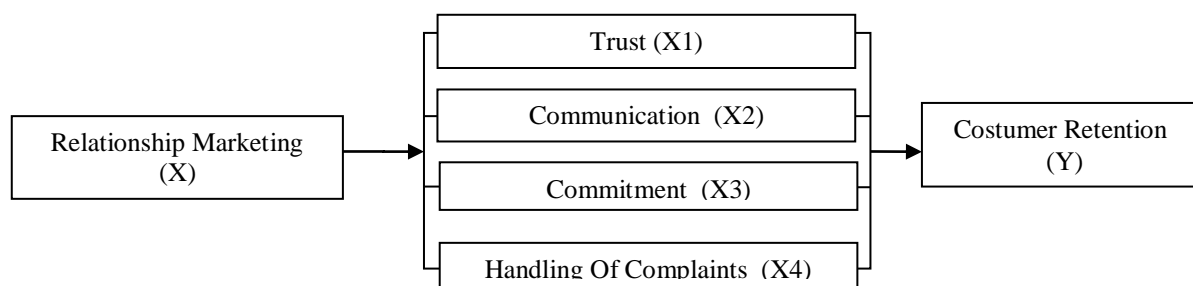
According to Evans and Laskin, Relationship marketing is defined as the process by which a company builds a long term Alliance with customers and potential customers, working together to achieve one goal. Basically, relationship marketing is a relationship and long-term ties between producers, consumers, and suppliers as well

as any other offender. The essence of relationship marketing concerns lasting relationships and continuous communication with customers.

The concept of relationship marketing is used to describe a wide array of the context and perspective of marketing activities. In a narrow perspective, relationship marketing describes the various marketing tactics, to bind or retain customers after the sale took place with the aim of creating a purchase. the concept of relationship marketing is a marketing concept that emphasizes communication in both directions. On the concept of customer relationship management (CRM). the company only emphasize on customers because in this case the customer is regarded as the spearhead of a company. Relationship marketing appears as a new approach which helps marketing management to achieve customer retention. Dimension Of Relationship Marketing.

According to Kotler and Keller (2013:20) company to build its share of customers by offering a quality product or service and conduct employee training to give you the satisfaction of existing customers, attract new customers because it might be issued costs five times more than retaining existing customers. Wise companies measure customer satisfaction on a regular basis because it is one key to customer retention. A very satisfied customer will generally perform repeated purchases products or services from these companies.

The framework of thinking can explain the purpose of the study, i.e. to see the influence of Relationship Marketing Towards Customer Retention efforts on Culinary Nest Crab Seafood Restaurant in the city, in order to more clearly can be seen as follows:



**Figure 1. Conceptual Framework**

## Methods

The data used in this research in the form of the results of the measurement variables relationship marketing, which include; trust, communication, commitment, and the handling of complaints, as well as the results of the measurement variable Customer Retention. The data is the primary data obtained directly from the respondent through the questionnaire has been prepared. To analyze the influence of relationship marketing are reflected by the trust, communication, commitment, and the handling of complaints against Customer Retention used multiple linear regression analysis techniques with the formulation of the model is as follows:

$$Y = a + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4$$

Description:

Y: Variable dependent (Customer Retention)

a: Constanta

$b_1$   $b_2$   $b_3$   $b_4$ : Slope the coefficients of the model line

$X_1$ : Variable independent (Trust)

$X_2$ : Variable independent (Communication)

$X_3$ : Variable independent (Commitment)

$X_4$ : Variable independent (Handling Of Complaints )

## Results

The results of the regression coefficient for the calculation of each variable in the model equations which have been formulated ( $Y = B_0 + b_1X_1 + b_2X_2 + b_3X_3 + b_4X_4 + e$ ), then obtained a model equation,  $Y = 5.384 + 0,142X_1 + 0,315X_2 + 0,629X_3 - 0,124X_4$ . From the regression equation model, means Customer Retention (Y) will increase, when the trust (X 1), commitment (X 2), and communication (X 3) improved. But it will go down when the handling of a complaint (X 4) lowered. As for the description of the prediction of the relationships between variables in the model equation is as follows:

1. Constant (a) = 5.384, meaning if the variable trust (X 1), commitment (X 2), communication (X 3), and the handling of complaints (X 4) does not exist, then the Customer Retention will increase or increases the value of 5.384.
2. regression Coefficients X 1 ( $\beta_1X_1$ ) = 0.142, meaning if an increase in confidence (X 1) 1%, then it will increase Customer Retention of 0.142%.

3. the regression Coefficient X 2 ( $\beta_2X_2$ ) = 0.315, meaning if an increase in commitments (X 2) of 1%, it will increase Customer Retention of 0.315%.
4. A coefficient of regression ( $\beta_3X_3$ ) X 3 = 0.629, meaning if an increase in communication (X 3) of 1%, it will increase Customer Retention of 0.629%.
5. the regression Coefficients X 4 ( $\beta_4X_4$ ) = - 0.124 shortfall, meaning that handling of complaints (X 4) of 1%, it will lose the Customer Retention of 0.124%.

A classic assumption test results get a linear regression model that decision multiple incentives-that is,  $Y = 5.384 + 0,142X_1 + 0,315X_2 + 0,629X_3 - 0,124X_4$ , can be expressed as a role model and has fulfilled the criteria of the BLUE (Best Linear Unbiased Estimator), which means that the model is not experiencing symptoms, autocorrelation, multicollinearity, and heteroskedastic, as well as data derived from a Gaussian population. This is evidenced by the test results as follows:

#### • Test for Normality

Normality test results data by using the Kolmogorov-Smirnov test indicates that the data in this study were taken from a Gaussian population, where the value of the acquired significance > 0.05.

**Table 1. Test Results Normalitas**

		Unstandardized Residual
N		105
Normal Parameters <sup>a,b</sup>	Mean	,0000000
	Std. Deviation	1,49316687
Most Extreme Differences	Absolute	,070
	Positive	,070
	Negative	-,063
Kolmogorov-Smirnov Z		
Asymp. Sig. (2-tailed)		,810

#### • Test for Multicollinearity

The results of this test show that each independent variable has a value of VIF < 10, which means that any variables not mutually correlated.

**Table 2. Test multicolinieritas**

Model	Correlations			Collinearity Statistics	
	Zero-order	Partial	Part	Tolerance	VIF
(Constant)					
1 Trust	-,207	-,199	-,137	,978	1,023
Commitment	,605	,258	,180	,520	1,923
Communication	,697	,426	,317	,269	3,721
Handling Of Complaints	,580	-,081	-,055	,272	3,671

#### • Test autocorrelation

Autokorelasi the test results by using the test run test indicates that the model does not suffer autocorrelation, wherein the value of the acquired significance > 0.05.

**Table 3. Test Run Test**

	Unstandardized Residual
Test Value <sup>a</sup>	,11144
Cases < Test Value	51
Cases >= Test Value	54
Total Cases	105
Number of Runs	48
Z	-1,071
Asymp. Sig. (2-tailed)	,284

#### • Test heteroskedastic

Heteroskedastic the test results using the test indicates that model Glejser suffered no heteroskedastic, where the significance of values obtained for each independent variable  $> 0.05$ .

**Table 4. Test Heteroskedastitas**

Model	Standardized Coefficients	t	Sig.
	Beta		
Trust	-,154	-1,540	,127
Commitment	-,090	-,659	,512
Communication	-,055	-,288	,774
Handling Of Complaints	,075	,397	,692

#### • Test Coefficient Determination (R2)

The test results show that the value of the coefficient of determination (R2) of 0.545. This means the variation of the ups and downs of Customer Retention capable variable explained by the trust, communication, commitment, and the handling of complaints amounted to 54.5 percent, while the rest of 45.5 percent is explained by other variables that are not examined in this study.

**Table 5. Test coefficient determination ( R2)**

Model	R	R Square	Adjusted Square	R Std. of Error of the Estimate
1	,738 <sup>a</sup>	,545	,527	1,523

#### • T-Test Statistics

The test results showed that trust (X 1), commitment (X 2), and communication (X 3) partially effect significantly to Customer Retention (Y). While handling complaints (X 4) effect is not significantly to Customer Retention.

**Table 6. Test -t**

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B	Std. Error	Beta	
(Constant)	5,384	1,754		
Trust	,142	,070	-,139	-,2033
Commitment	,315	,118	,250	2,671
Communication	,629	,134	,612	4,702
Handling Of Complaints	-,124	,153	-,105	-,813

Table 6 describes that for testing the influence of trust (X 1) toward Customer Retention (Y) shows that the value of the probability (sig) of 0.045, where this value  $< 0.05$ . Thus it can be concluded that the trust of influential partially variable significantly to customer retention.

Test results (table 6) influence of commitment (X 2) toward Customer Retention (Y) shows that the value of the probability (sig) of 0.009, where this value  $< 0.05$ . Thus it can be concluded that the variable commitment partially influential variables significantly to customer retention.

Test results (table 6) influence of communication (X 3) toward Customer Retention (Y) shows that the value of the probability of 0.000 (GIS), where this value  $< 0.05$ . Thus it can be concluded that partially influential communication variables significantly to variable customer retention.

Test results (table 6) influence the handling of complaints (X 4) toward Customer Retention (Y) shows that the value of the probability (sig) of 0.418, where this value  $> 0.05$ . Thus it can be concluded that the complaints handling variables in partial effect insignificant against the variable customer retention.

#### • Test F statistics

The test results show that simultaneously (simultaneous) trust (X 1), commitment (X 2), communication (X 3), and the handling of complaints (X 4) effect significantly to customer retention (Y). This is evidenced by the significance value obtained  $< 0.05$ .

**Table 7. Test F**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	278,089	4	69,522	29,983	,000 <sup>b</sup>
Residual	231,873	100	2,319		
Total	509,962	104			

## **Discussion**

In general, it can be said that the relationship marketing trust, commitment, and communication effect while handling complaints less effect on Customer Retention efforts on Culinary Seafood Crab Nests in the town of Jambi. The trust submitted is committed to customers as a result of a seafood product is presented to customers is fresh products, variable trust proves to have an impact on customer retention for at Business Culinary Seafood Restaurant Crab Nests. This is because the product is presented to customers is a fresh product that has been true.

Commitment is conveyed the promise pledge to nurture relationships with customers properly meaning important and adjusting what is needed by the customer on the culinary efforts of the Seafood Crab Nests. Variable trust shows give an impact on customer retention for a Seafood Culinary efforts on Crab's nest. This is due to the crab's nest Restaurant quick response in serving seafood with it didn't take that long in the service of the customer. The handling of complaints that Seafood Restaurant Crab Nests in the settlement of the conflict against the customer, openness when a problem against complaints that delivery to customers. Variable handling complaints showed less impact on customer retention Efforts Culinary Seafood Crab's nest Restaurant. This is due to fewer conduct discussions to dancing the solution in case of problems with customer service. The results of the regression test of communication give an influence on consumer interest in the business of culinary Seafood Restaurant Crab Nests. This is due to the effective owner provide direct communication in the description of the product and can be understood as a description of the types of products the seafood in Seafood Restaurant Crab Nests.

Explanation of the above marketing relationship, the most influential communications is variable. This is due to the effort of culinary Seafood Crab Nests in communications to customers has been cultivating an information product, the delivery of the latest types of products is always accurate. Customer marketing efforts towards the management pay attention to the handling of complaints can be increased again. The potential conflict against may occur depending on the service, the handling of complaints can be applied through the preparatory stages in problem identification, preparation of definition causes problems, preparation of problem-solving by providing an effective solution that is an ultimately positive impact for Restaurant Crab Nests and for the customers. Communication that is supporting the achievement of the objectives set by the management of an organization. The latest seafood Culinary product type can also be done with the stages of a promotional offer, discounts given by a Culinary Seafood Restaurant Crab Nests for getting new customers so rising the more customers who visit and generate a very significant profit against the Crab's nest Restaurant.

## **Conclusions**

Based on the results and discussion of this research, can be drawn the conclusion that simultaneously, dimensions of trust, commitment, communication, and the handling of complaints and positive affect significantly to customer retention, with the value of the contribution influence ( $R^2$ ) of 54.5%. On the other hand, are partial, dimensions of trust, commitment, and positive and influential communication significantly to customer retention, whereas the dimension of the handling of complaints against the insignificant effect of customer retention. On the regression test, most of the free variable (belief, commitment, communication) partially provide significant positive influence whereas the free variables handling complaints give negative influences. It can, therefore, be concluded that the first hypothesis is accepted. Beta (B) values for each free variable (the independent variable) and the t-test output data showed that communication variables (X 3) give the most influence on the customer retention (the dependent variable) culinary efforts on Seafood Restaurant The Crab's Nest In The Town Of Jambi. Thus it was concluded that the second hypothesis is acceptable.

## **Recommendations**

Based on the conclusion that has been put forth above, then the author can formulate some advice, the free variable (belief, commitment, communication, and handling complaints) simultaneously provide the effect on customer retention. For that, the free variables should be maintained and enhanced. Free variable gives the effect on customer retention efforts on culinary seafood crab's nest restaurant. Then the management can maintain and develop items – items free variables in order to further improve the quality of service to customers. Maintain and improve the quality of service because the variable trust, commitment, communication is the most influential variables on nest crab seafood culinary ventures in the city of Jambi. Improve the quality of the handling of complaints in accordance with the submission of complaints by consumers.

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